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UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL RESEARCH ADMINISTRATION
BUREAU OF AGRICULTURAL AND INDUSTRIAL CHEMISTRY
WASHINGTON 25, D. C.

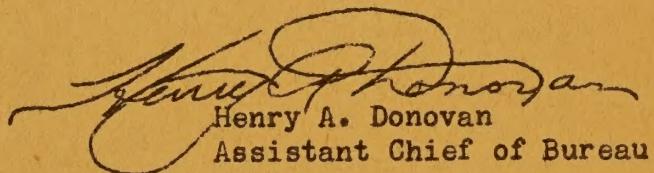
July 11, 1949

BUREAU MEMORANDUM 417

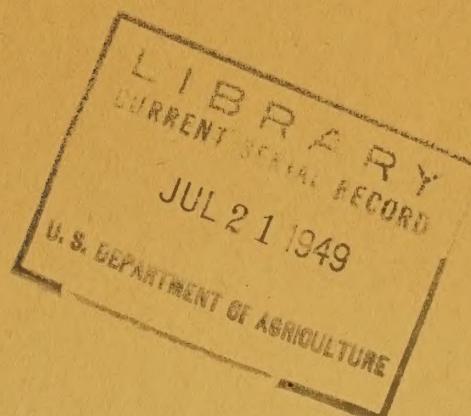
Outline of Procedures and Responsibilities for Cooperative
Agreements and Memoranda of Understanding

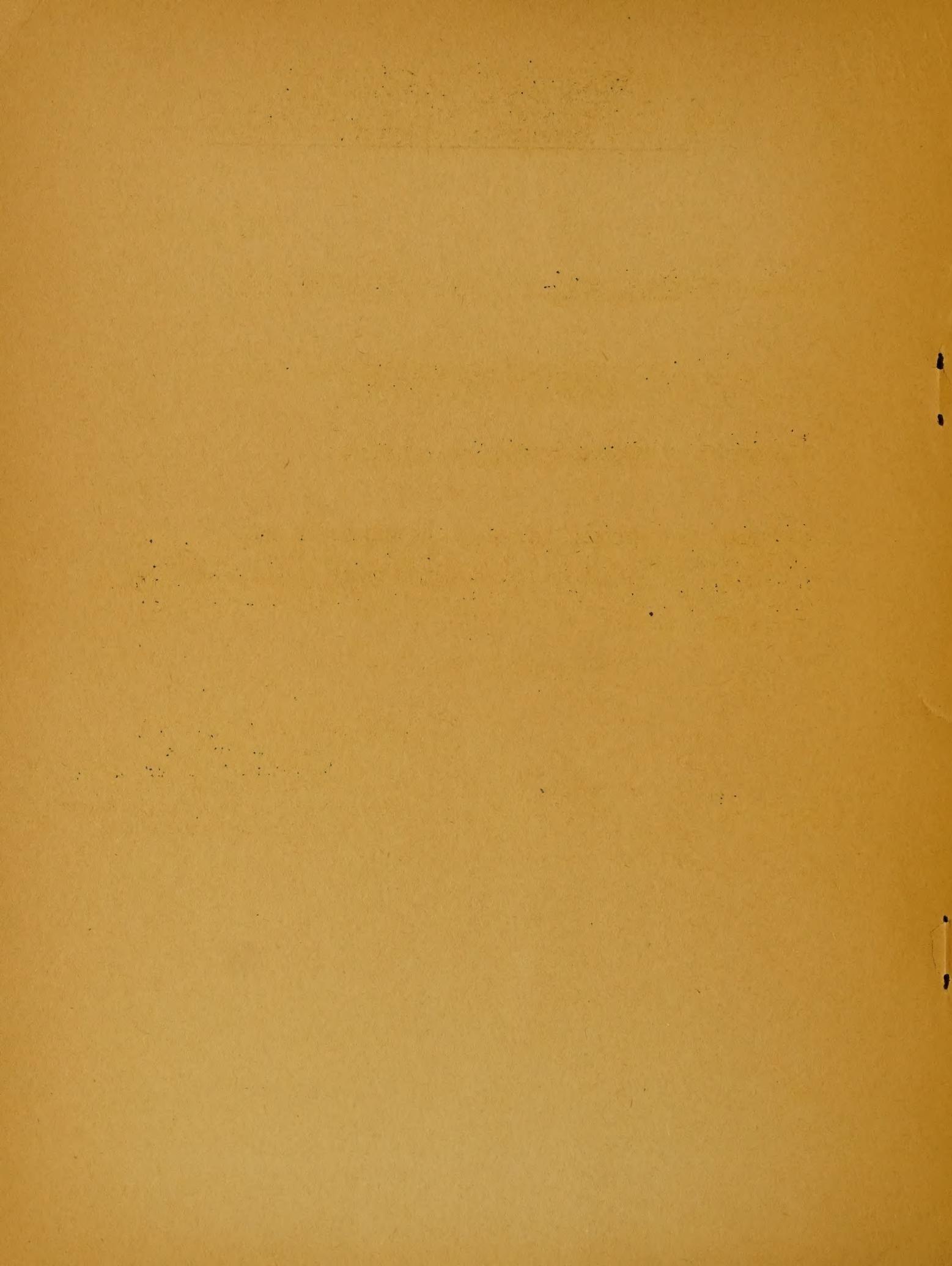
TO DIRECTORS OF REGIONAL RESEARCH LABORATORIES

Effectively immediately, the procedure outlined in the attachment to this memorandum will be observed in the preparation, review, and approval of Cooperative Agreements and Memoranda of Understanding of the Bureau. This memorandum supersedes all previous memoranda on this subject.


Henry A. Donovan
Assistant Chief of Bureau

Attachment





BUREAU OF AGRICULTURAL AND INDUSTRIAL CHEMISTRY

OUTLINE OF PROCEDURES AND RESPONSIBILITIES

FOR

COOPERATIVE AGREEMENTS (1)

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(1) - The word "agreement" as used generally throughout this outline refers to all types, but references to specific types will be more descriptive and will include the terms which appear on the official documents.

I - INTRODUCTION

This Memorandum, effective upon receipt outlines the procedures and responsibilities in the Bureau with respect to:

- (a) Cooperative Agreements
- (b) Formal Memoranda of Understanding
- (c) Informal Memoranda of Understanding

Definitions:

(a) Cooperative Agreement

A Cooperative Agreement constitutes the basis for a financial obligation, thus being an instrument upon which payments are dependent. Cooperative Agreements and related papers are sent forward for filing in the General Accounting Office.

(b) Formal Memorandum of Understanding

A formal Memorandum of Understanding is reducing to writing a plan to cooperate in the carrying out of an activity which will result in mutual benefits to the parties concerned, each one operating within his own sphere of authority. A formal Memorandum of Understanding is not a fiscal document used as a basis for encumbering funds.

(c) Informal Memorandum of Understanding

An Informal Memorandum of Understanding is intended for use for periods of short duration incident to the conduct of experimental work where it is desirable in cooperation with individuals or firms to place animals, plants, materials, mechanical devices or processes for further testing under different environmental and other conditions or situations in order to extend the scope of the tests or further the development of the processes, or devices or machinery; or otherwise to work with producers or processors to develop information or data. An informal Memorandum of Understanding should not be used if the cooperative arrangement involves (a) payments to cooperators, (b) cash contributions by cooperators or (c) assumption by the Government of responsibility for property damage.

Form and Content of Agreements: Outlines of the different types of agreements are contained in this procedure as are also standard paragraphs applicable. It is felt that the material contained herein is broad enough so that deviations will not be necessary but it is recognized that such deviation might be imperative in some cases.

Responsibility for Form and Content of Agreement: The Agricultural Research Administrator has indicated that in the interest of expediting cooperative documents he will discontinue checks on certain details heretofore given these agreements and that such details are now fully within the responsibility of the Bureau.

The Chief of the Bureau, will in turn look to the Directors of the Regional Research Laboratories (who have been designated by the Chief of Bureau in Bureau Memorandum No. 409, dated November 19, 1948 as special representatives of the Chief of Bureau to be responsible for all Bureau operation within their respective regions) for assurance as to the adequacy to these agreements. In pursuance of this and in order to provide the desirable uniformity of handling of agreements at the Laboratory level, the Business Manager is designated the officer responsible for the examination, review and formulation of these agreements as to administrative requirements, for the Director.

The Assistant Chief of Bureau for Administration with the Administrative Officer of the Bureau shall hold this responsibility in the office of the Chief of the Bureau.

Cooperation on Part of Other Bureaus in the Department: When drawing plans for cooperative work, every consideration should be given possible cooperation on the part of other bureaus in the Department. Any bureau in a position to make a contribution to the cooperative undertaking shall be named in the formal Memorandum of Understanding as a collaborating bureau.

Funds and Project: Every agreement entered into by the Bureau must fall within the scope of an existing research line project of the Bureau. The specific project under which the agreement falls should be indicated clearly in the memorandum transmitting agreements to the Office of the Chief of Bureau for clearance.

Reexamination and Review of Agreement: The agreements should be the subject of frequent review to be certain of the full benefit from the undertaking and to assure that specific plans for research are within the terms of the agreement and that agreements are taken into consideration in future program planning.

In the spring of each year, all agreements will be examined by the office of the Chief of Bureau. This examination will take place sufficiently prior to the end of the fiscal year to assure the approval of renewals, modifications, etc. by the parties in accordance with the terms of the agreement. A similar examination will be made by the laboratories of their agreements and recommendations made to the Chief of Bureau as to continuation, modification, or termination of the agreements for the ensuing fiscal year.

Agreement file: A complete set of all agreements will be maintained in the central files of the laboratories.

Photostat copies of all agreements negotiated by the Bureau will be furnished to the laboratories by the office of the Chief of Bureau. This means that

each laboratory will have copies of all agreements of every other unit of the Bureau in addition to its own. This file provides each laboratory opportunity to consider agreements of other units of the Bureau in their own program planning.

II. PROCEDURE AT LABORATORIES

1. General Requirements

- a. Proposals for agreements must be cleared with the Director before any steps are taken to draw up agreements.
- b. Agreements must be based on mutual interest or benefit on part of all parties.
- c. Agreements should tie in with research line project or Research and Marketing Act project of the laboratory and have clear-cut purpose and plan of work.
- d. Agreements can be renewed or amended, provided agreement contains appropriate clauses. Start procedure on renewal prior to expiration date.
- e. Agreements are reviewed at least annually by Bureau and Laboratory to determine whether they should be continued, discontinued, changed, or modified.
- f. Effective date to be on or after date of signature of final approving officer. Cooperative Agreements should as far as practicable be negotiated sufficiently in advance of the date on which the cooperation is to be initiated to permit of obtaining all signatures of cooperators and cooperating bureaus as well as final approval by the Administrator, prior to actually starting any work.
- g. Agreements must be cleared with the Chief of Bureau, and he is required to clear them with the ARA, the Solicitor's Office, and in a few cases, the Office of Budget and Finance.
- h. All agreements involving Experiment Stations must be cleared with Office of Experiment Stations.
- i. Cooperative work on programs closely related to work of other Bureaus in the Department should be called to the attention of the Chief of Bureau in order that the interest and possible participation of other Bureaus may be ascertained. (See Dr. Howard's Memo. to Directors dated February 13, 1948, re. cooperative work with State Agricultural Experiment Stations).
- j. Standard paragraphs are selected according to the type and nature of agreement. (See Part VI).
- k. The Federal Employees' Compensation Law does not apply to Cooperator's employees engaged in work even though this work is conducted on the premises of the Government and even though they may be appointed as Collaborators, W.O.C., under any type of agreement.

1. Residual products or property.

- (1) The ownership of products which may result from cooperative activities should be specified in the agreement under which the activities are to be undertaken. (5 AR679).
- (2) Disposition of equipment and other property should be provided for at the termination of the agreement (5 AR762(b)). Under Memoranda of Understanding and Informal Memoranda of Understanding, generally the matter of residual property will not arise; however, Cooperative Agreements often contemplate purchase, either direct or on a reimbursable basis of property not always under the custody and control of the contributor.

2. Detailed Procedure

- a. Division Head discusses possibilities of agreement with Director and obtains tentative approval to negotiate an agreement.
- b. Division Head or other responsible official draws up a rough draft of proposed agreement.
 - (1) Decides type of agreement: Informal Memorandum of Understanding, formal Memorandum of Understanding, or Cooperative Agreement.
 - (2) Indicates agencies which will cooperate.
 - (3) Ties in general purpose or subject with one or more research line projects.
 - (4) Decides what each Cooperator agrees, and what they mutually agree.
 - (5) Lists the standard paragraphs to be added; such as, patent, publication, Member of Congress, etc. (For selection, see Part VI).
 - (6) Makes final review, initials, or has draft retyped if greatly changed.
- c. Division Head sends tentatively approved rough draft to Business Manager.
- d. Business Manager critically reviews draft to assure that proposed agreement falls within purview of existing work projects, that agreement is based on mutual interest or benefit of all parties, and that all other administrative requirements are satisfied. The Business Manager will also check the proposed agreement against Bureau agreement file to determine whether the Bureau already has an agreement with the organization or on the subject.
 - (1) Discusses questions with Division Head or other operating official.
 - (2) If necessary, has draft retyped. If so, initialled by Division Head.
 - (3) Initials and routes to Director for approval.
- e. Director approves draft or calls for discussion or revision, and where necessary brings the agreement to the attention of other Division Heads having an interest from the program standpoint.

- f. Business Manager prepares final copy and covering letter for Director's signature, transmitting proposed agreement to the Chief of Bureau for approval and clearance with the Solicitor's Office. Agreements should be sent to the office of the Chief of Bureau in the following number of copies:
 - (1) Cooperative Agreement - Original and 5 copies
 - (2) Memorandum of Understanding - Original and 2 copies
 - (3) Informal Memorandum of Understanding - Original and 2 copies
- g. Transmittal letter to Chief of Bureau should contain
 - (1) Name and number of the project under which the cooperation is to be conducted.
 - (2) Any circumstances which should be given particular consideration or will be of assistance to the Office of the Chief in reviewing the proposed agreement.
- h. Bureau approval and other clearance granted. (See Part III for procedure in Office of Chief of Bureau).
- i. Original copy of agreement is returned to the Laboratory.
- j. Business Manager prepares letter of transmittal to the cooperator after consultation with the Division Head. The letter is prepared for the Director's signature (unless he thinks it would be more desirable to have the Division Head sign the letter).
- k. Cooperator signs and returns original to the Laboratory. When Laboratory receives it, Director signs agreement if it requires his signature and original is sent to the Chief of Bureau. (Steps involved outside of the Laboratory are outlined in Part III).
- l. Photostat copies of the agreement as finally executed by the Bureau and the Department in Washington, are sent to the Laboratory.
 - (1) One copy is sent to the Business Manager for preparation of letter of transmittal to Cooperator
 - (2) One copy is sent to the Division Head involved
 - (3) One copy is sent to Central Files, after routing to interested officials.
- m. Amendments follow same procedure. Copies are distributed the same as in paragraph (1).
- n. Renewal or extension of time of Informal Memoranda of Understanding
 - (1) By letter sent to Cooperator, signed by Director, and sent to Chief of Bureau for approval.
 - (2) Distribution of approved renewals or extensions same as in paragraph (1).
- o. Annual review of all agreements is initiated by the office of the Chief of Bureau and changes made on recommendation of the Laboratories with the approval of the Chief of Bureau.
 - (1) Copies of both Washington and Laboratory letters on annual review of agreements to be sent to all Laboratories to bring agreement file pertaining to other regions up-to-date.

III - PROCEDURE AT OFFICE OF THE CHIEF OF BUREAU

1. Proposed agreements will be furnished to the Office of the Chief of Bureau in the following number of copies:
 - (a) Cooperative Agreement - Original and 5 copies
 - (b) Memoranda of Understanding - Original and 2 copies
 - (c) Informal Memoranda of Understanding - Original and 2 copies
2. When received in the Office of the Chief of Bureau all copies of the proposed agreement will be referred to the Assistant Chief of Bureau for Administration for attention. The Assistant Chief of Bureau for Administration will refer the document to the Administrative Officer of the Bureau who will be responsible for accomplishment of the steps required for completion of the agreement.
3. The Administrative Officer of the Bureau will take the following action:
 - (a) Refer one copy of the proposed agreement as follows:
 - (1) First, to the Special Assistant in Charge of research project control for project clearance
 - (2) Second, to the Assistant Chief of Bureau for research for approval as to technical and program requirements.
 - (b) The Administrative Officer will review the proposed agreement as to the mutuality of the obligations and contributions of the parties and administrative phases of the document. ("Mutuality of obligations and contributions" means that the terms of the agreement demonstrate a common interest in the subject matter of the agreement and reciprocal undertakings). Particular attention paid to the following:
 - (1) Patent clause
 - (2) Publication clause
 - (3) Provision for continuation and termination
 - (4) Participation of delegate to Congress
4. Any changes in the proposed agreement having reference to purely administrative phases of the agreement are made without referring the agreement back to the laboratory involved in order to expedite action. Any significant suggested changes regarding the undertakings of the parties to the agreement are referred back to the laboratory for consideration.
5. After the agreement has been reviewed as to the matters discussed in (3) and (4) above, a copy is transmitted either to the Agricultural Research Administrator or the Solicitor's Office by memorandum in accordance with the instructions contained in Administrator's Memorandum No. 28. The memorandum is transmitted to the Assistant Chief of Bureau for Administration for final consideration and initialing. The memorandum of transmittal is then signed by the Chief of Bureau if he approves the Memorandum.
6. The cooperative document then follows the procedure outlined in Administrator's Memorandum No. 28, (See Part IV of this procedure).
7. Upon return of the proposed agreement from the Agricultural Research Administration, any changes suggested by the Solicitor's Office, the Agricultural Research Administration and the Office of Experiment Stations

(when they are involved in an agreement) are made. The original document is then transmitted by memorandum over the signature of the Assistant Chief of Bureau for Administration to the laboratory originating the agreement with instructions for securing the signature of the cooperator and return of the document to the office of the Chief of Bureau.

8. Upon return of the document from the laboratory the agreement is examined once more by the Administrative Officer to be certain that it has been properly executed. It is recognized that no changes are expected to be made on the agreement at this point but the Administrative Officer must assure when the document is returned that it is identical to the one submitted for signature.
9. The agreement is then prepared for final execution as follows:
 - (a) Cooperative Agreements - Prepare transmittal slips. Obtain initials of Chief of Bureau on transmittal slip and forward document to Agricultural Research Administration for signature of the Administrator.
 - (b) Memoranda of Understanding - Prepare transmittal slips. Obtain signature of Chief of Bureau on agreement and forward to Agricultural Research Administration for signature of officer of the office.
 - (c) Informal Memoranda of Understanding - Obtain signature of Chief of Bureau.
10. After final execution of the agreement sufficient photostat copies are obtained to make the following distribution:
 - (a) Two copies of the laboratory files.
 - (b) One copy for each cooperator. (Cooperator(s) copy(s) to be sent to the laboratory for transmittal to the cooperator(s)).
 - (c) One copy to be transmitted to the Office of Experiment Stations where a State Agricultural Experiment Station is a party to the agreement.
 - (d) One copy is forwarded each of the other three Regional Research Laboratories.

(The same number of photostat copies of all renewals and amendments will be obtained and distributed as indicated above).
11. The original document together with correspondence pertaining to the case is filed in the office of the Chief of Bureau.
12. Amendments. Proposed amendments to agreements will follow the procedure as for agreements as outlined above. (Sufficient photostat copies of amendments will be secured to make distribution as outlined in paragraph (10)).
13. Renewals. Once each year, in sufficient time to assure the renewal of agreements before the normal expiration date, a list of all current agreements pertaining to the work of each laboratory is sent to each laboratory with a request that each agreement be reviewed by the Director to determine whether the agreements should be continued, terminated, or modified.

Upon receipt of replies from the laboratories, appropriate action will be taken to continue, modify or terminate the agreement.

- (a) Renewals of cooperative agreements require preparation of renewal form and submission to the Agricultural Research Administration, after which they are forwarded to the cooperator for concurrence and return to the Office of the Chief of Bureau.
- (b) Continuance of Memoranda of Understanding entered into on an indefinite basis needs no action other than recording of concurrence of the laboratory involved in the continuation.
- (c) Renewal of Memoranda of Understanding entered into on a year to year basis require the preparation of letters of renewal to the cooperator, prepared for the signature of the Assistant Chief of Bureau for Administration. After indication of concurrence by the cooperator on the original copy of the renewal memorandum, it is returned to the office of the Chief of Bureau.

(Sufficient photostatic copies of all renewal documents will be obtained to make distribution as outlined in paragraph 12.)

IV - PROCEDURE IN DEPARTMENT OFFICES

UNITED STATES DEPARTMENT OF AGRICULTURE Agricultural Research Administration Washington

Office of Administrator

December 10, 1948

ADMINISTRATOR'S MEMORANDUM NO. 28

Procedure for Handling Cooperative Agreements, Formal and Informal Memoranda of Understanding

Pending the issuance of Department Regulations on the subject, definitions and procedures with regard to Cooperative Agreements and related papers (amendments, renewals, revisions, supplements, terminations, et cetera) and formal and informal Memoranda of Understanding are hereby revised to read as follows:

COOPERATIVE AGREEMENTS

A. Definition

A Cooperative Agreement constitutes the basis for a financial obligation, thus being an instrument upon which payments are dependent.

Cooperative Agreements and related papers are sent forward for filing in the General Accounting Office.

B. Uniformity

In order to obtain uniformity in identification "Cooperative Agreement" will be used instead of "Cooperative Project Agreement", "Memorandum of Agreement," and other identifying terms.

The printed forms of Cooperative Agreements in use in some of the bureaus make the Secretary of Agriculture a party thereto. Except in agreements involving important questions of overall Department policy, "Research Administrator, U. S. Department of Agriculture" shall be substituted for "Secretary of Agriculture." (Note also the paragraph in the following section covering cooperative agreements which may be signed by Chiefs of Bureau). When bureaus are in doubt as to the proper signing official, they should consult the Administrator's office prior to preparation of agreement.

C. How to Handle

All drafts of Cooperative Agreements and related papers prepared by the bureaus for examination shall be forwarded by the bureaus to the Office of the Administrator, in quadruplicate. This will permit of

simultaneous work on the draft by the Office of the Solicitor and this Office, and also by the Office of Budget and Finance and the Office of Experiment Stations in cases involving new and important fiscal policy or the participation of State Experiment Stations. Delays incident to the successive routine of a single copy will thus be avoided. The originating Bureau will be advised by the Office of the Administrator of the advance approval of the draft as submitted or with indicated changes.

After signature by the cooperator the agreement will be returned for approval by the Administrator or the Secretary.

Ordinarily renewals will be prepared in the Bureaus and sent direct to the Office of the Administrator. If unusual features are involved on which legal clearance is advisable, renewals will be submitted by the Bureau direct to the Solicitor. Renewals of both types will be dated and signed by the Administrator and passed along to the bureau to obtain the signature of the cooperator.

When a standard form of Cooperative Agreement to cover certain operations has been properly developed and approved, it will not be necessary to secure advance clearance of specific cases in which it is used unless participation of a State Experiment Station is involved, in which case advance approval should be secured by the Bureau from the Office of Experiment Stations. Except as provided in the following paragraph, such agreements when signed by the cooperator should be sent to this office for signature by the Administrator or the Secretary.

Not all standard forms of cooperative agreements need be signed by the Secretary or Research Administrator. Standard forms of cooperative agreements used as fiscal papers covering agreements with farmers, orchardists, other growers, suppliers of commodities and equipment, and agricultural experiment stations, may be signed by Bureau Chiefs when such action has been properly authorized. In each case where such authority is desired, the proposed standard form shall be submitted to the Office of the Solicitor for legal clearance and then forwarded to this office for advance approval by the Research Administrator. The Chief or Acting Chief of Bureau will then be authorized to execute these agreements. In no case shall the obligation exceed \$500. In this class of documents, even though agricultural experiment stations may be parties thereto, clearance by the Office of Experiment Stations is not required and copies need not be filed with that Office.

Cooperative Agreements should as far as practicable be negotiated sufficiently in advance of the date on which the cooperation is to be initiated to permit of obtaining all signatures of cooperators and cooperating bureaus, as well as final approval by the Administrator, prior to actually starting any work.

Unless otherwise indicated, the date Cooperative Agreements are to be made effective will be the date of approval by the Administrator.

Copies of Cooperative Agreements and related papers will not be required for filing in the Office of the Administrator.

Copies of Cooperative Agreements and related papers involving State agricultural experiment stations (other than those signed by Bureau Chiefs) shall continue to be furnished to the Office of Experiment Stations.

FORMAL MEMORANDA OF UNDERSTANDING

A. Definition

A formal Memorandum of Understanding is reducing to writing a plan to cooperate in the carrying out of an activity which will result in mutual benefit to the parties concerned, each one operating within his own sphere of authority. A formal Memorandum of Understanding is not a fiscal document used as a basis for encumbering funds.

B. Uniformity

Memoranda of Understanding should as far as practicable be uniform in arrangement. Bureaus are encouraged where possible to work toward developing standard forms. Initiating bureaus shall be responsible for determining that all such standard forms have been approved by the Solicitor and the Office of the Administrator.

The identification "Memorandum of Understanding" shall be used rather than "Memorandum of Agreement" and other terminology.

Where conditions permit formal Memoranda of Understanding now on a "year-to-year renewal basis" shall be changed over to "indefinite" at the beginning of the next fiscal year.

C. How to Handle

All drafts of proposed formal Memoranda of Understanding and/or supplements and revisions (other than the standard forms which, when once approved, do not require advance clearance for use in specific cases) shall be sent direct from the bureaus to the Office of the Solicitor for examination as to legal sufficiency. Except as provided under D. below, they will be returned to the bureaus by the Solicitor through the Office of the Administrator where they will be considered for advance approval. All formal Memoranda of Understanding, when signed by the cooperator and chief of bureau, are to be sent to the Administrator or the Office of Experiment Station, as provided under D, below, for final approval.

Bureaus should urge their employees, when drawing plans for cooperative work, to give every consideration to possible cooperation on the part of other bureaus in the Department. Any bureau in a position to make a contribution to the cooperative undertaking shall participate and be named in the formal Memorandum of Understanding as a collaborating bureau.

All formal Memoranda of Understanding shall as far as practicable be negotiated sufficiently in advance of the date on which the cooperation is to be initiated to permit the obtaining of all signatures of cooperators and cooperating bureaus, as well as final approval by the Administrator, prior to actually starting work.

Unless otherwise indicated, the effective date of formal Memoranda of Understanding will be on or after the date of signature by the Administrator.

Chiefs of Bureaus will continue to negotiate direct with cooperators and will sign all year-to-year renewals. These renewals are not to be cleared through the Office of the Administrator. However, in instances where the Solicitor prepares the renewal, such renewal will be sent to the Office of the Administrator by the Solicitor and will be signed and returned to the bureau to obtain the signature of the cooperator.

Copies of formal Memoranda of Understanding, supplements, renewals, revisions, terminations, et cetera, need not be furnished to the Office of the Administrator.

D. Office of Experiment Stations

In all cases where State agricultural experiment stations are parties to the cooperation, the following procedure shall apply:

- (1) The Solicitor will route his memoranda to the bureaus returning formal Memoranda of Understanding and related papers through the Office of Experiment Stations for advance approval. Copies of the Solicitor's memoranda of ternsmittal will be retained in the Office of Experiment Stations.
- (2) When formal Memoranda of Understanding have been signed by the cooperator and chief of bureau, they shall be routed by the bureau to the Office of Experiment Stations for approval.
- (3) In the advance approval of drafts and the signature of final Memoranda of Understanding, the Chief of the Office of Experiment Stations shall sign in that capacity and as Acting Research Administrator, U. S. Department of Agriculture. In the absence of the Chief of Office of Experiment Stations, the Acting Chief of that office will sign such documents as Acting Research Administrator, and is hereby authorized to do so.
- (4) Copies of all formal Memoranda of Understanding and related papers shall be furnished to the Office of Experiment Stations.

INFORMAL MEMORANDA OF UNDERSTANDING

A. Definition

An informal Memorandum of Understanding is intended for use incident to the conduct of experimental work where it is desirable in cooperation with individuals or firms to place animals, plants, materials, mechanical devices or processes for further testing under different environmental and other conditions or situations in order to extend the scope of the tests or further the development of the processes, or devices or machinery; or otherwise to work with producers or processors to develop information or data. An informal Memorandum of Understanding should not be used if the cooperative arrangement involves (a) payments to cooperators, (b) cash contributions by cooperators or (c) assumption by the Government of responsibility for property damage.

B. How to Handle

When circumstances warrant such procedure, bureaus are authorized to negotiate informal Memoranda of Understanding.

If the form of an informal memorandum of understanding has been passed by the Solicitor as to legal sufficiency and if it bears evidence of having been approved by the Chief of Bureau, the execution of such informal memorandum of understanding may then be delegated by the Chief of Bureau to heads of divisions or field stations. Copies of such memoranda will not be required in the Office of the Administrator. This Office should be consulted, however, if there is doubt as to the propriety of handling any particular piece of cooperation under this provision.

"MASTER" MEMORANDUM OF UNDERSTANDING

At least one research Bureau has given considerable attention to the development of a "master" Memorandum of Understanding. Under this plan the Bureau enters into a Memorandum of Understanding with a State agricultural experiment station covering cooperative work in a very broad field. This memorandum establishes the mutual interest of the parties, sets forth the general principles of their cooperation, and provides for the execution of subsidiary memoranda (usually at a lower level in the organization) outlining the details of specific cooperative projects in the subject-matter field covered by the master memorandum. This plan is still on a trial basis and its adoption by other agencies is optional. However, it offers such distinct advantages in the way of coordinating effort and saving paper work as to commend its use wherever practicable. More detailed information concerning it can be obtained from the Office of the Administrator. When this plan is used, copies of subsidiary memoranda as well as the master memorandum should be filed with the Office of Experiment Stations.

BUREAU RESPONSIBILITY IN SUBMISSION OF COOPERATIVE DOCUMENTS

The procedure outlined above is designed to expedite the handling of cooperative documents. Some steps in previous procedures have been dropped. There will also be certain changes in routing and clearance in the Office of the Administrator which will save time by discontinuing checks on details which are within the responsibility of the Bureau. Because of the elimination of these stops, it is desired that in submitting cooperative agreements and memoranda of understanding (whether to the Office of the Administrator, the Office of Experiment Stations or the Office of the Solicitor) the Bureau transmitting memorandum should clearly indicate:

1. The source of the Federal funds to be used; i.e., regular appropriations of the Bureau, R. M. A. allotments, etc.;
2. The name and symbol of the project under which the cooperation is to be conducted, if financing is from R. M. A. funds;
3. Prior approval of standard form of cooperative agreement or memorandum of understanding, if the specific case submitted is such a form;

4. Any circumstances which should be given particular consideration in connection with the proposal.

Revocation of Previous Instructions

This memorandum constitutes the latest and most complete information with respect to cooperative documents. It therefore supersedes all previous instructions from this office on the subject, including Administrator's Memoranda No. 1, 10, 11, 17 and 23.

/s/ P. V. Cardon
Research Administrator

Note: The samples of the various forms of cooperative agreements attached to Administrator's Memorandum No. 28 and references thereto in the text have been deleted since the samples prepared by the Bureau were drafted so as to be more directly applicable to the situations likely to be encountered in its cooperative research work.

V. TYPES OF AGREEMENTS

1. Cooperative Agreement:

- a. Constitutes a basis for financial obligation. (Copies are filed with General Accounting Office, as in the case of contracts).
- b. If other than Federal employees are to work in the Laboratory under the cooperative agreement, they are appointed as Collaborators or Cooperative Agents.
- c. Duration limited to fiscal year, but may be renewed for one fiscal year at a time. Exceptions can be made to this general rule where agreements do not involve an annual financial commitment. Such cooperative agreements may be on an indefinite basis.
- d. Standard paragraphs:
 - (1) Statement of financial obligations
 - (2) Patent
 - (3) Publications, Profit or non-profit organizations
 - (4) Amendment
 - (5) Members of Congress
 - (6) Hours of work and other regulations governing Collaborators or Cooperative Agents. This paragraph is included in all cases where Cooperative Agents are Federally controlled (F.C.)
 - (7) Appointment of Collaborators or Cooperative Agents
 - (8) Hours of work
 - (9) Continuation, renewal and termination
- e. Approval by, following clearance with Chief of Bureau:
 - (1) Solicitor
 - (2) Office of Budget and Finance
 - (3) Office of Experiment Stations if work involves experiment stations
 - (4) Other Bureau(s), party(ies) to the agreement, if any
 - (5) Administrator of Agricultural Research Administration
- f. Signed by:
 - (1) Cooperator(s)
 - (2) Administrator of ARA, except when important overall policy questions are involved
 - (3) Secretary, for those involving important overall policy questions.

2. Formal Memorandum of Understanding:

- a. A plan reduced to writing to provide for cooperation in carrying out an activity which will result in mutual benefit to the parties concerned, each one operating within his own sphere of authority.
- b. This is not a fiscal document used as a basis for encumbering funds.

- c. Long duration; generally on indefinite basis, and extending over more than one fiscal year; if termination date is established, may provide for renewals.
- d. Bureau must consider possible cooperation on part of other Bureaus in ARA. The administrator of ARA has said that "Any Bureau in a position to make a contribution to the cooperative undertaking shall participate and be named in the formal Memorandum of Understanding as a Collaborating Bureau." (See also Chief of Bureau's Memorandum dated 2/13/48 on this subject.)
- e. Standard paragraphs:
 - (1) Basis of cooperation.
 - (2) Maximum obligations.
 - (3) Availability of funds.
 - (4) Patents.
 - (5) Publications (Profit or non-profit organization)
 - (6) Member of Congress
 - (7) Duration generally indefinite, but may have specific termination date if circumstances warrant, and renewal clause if desired.
- f. Signatures:
 - (1) Cooperator(s)
 - (2) Chief of Bureau
 - (3) Chief, Office of Experiment Stations, if Experiment Stations are included, or
 - (4) Administrator of ARA.

3. Informal Memorandum of Understanding:

- a. Used when desirable to place animals, plants, materials, mechanical devices, or processes for further testing under different environmental and other conditions or situations in order to extend the scope of tests or further the development of the processes, devices, or machinery; or otherwise to work with individuals or firms, producers or processors, to develop information or data.
- b. An informal Memorandum of Understanding should not be used if the cooperative agreement involves:
 - (1) Payments to cooperators
 - (2) Cash contributions by cooperators
 - (3) Assumption by Government of responsibility for property damage.
- c. Short duration, specific termination date, does not as a rule, require renewals, but may provide for renewals of specific short or limited periods.
- d. Although patent or publication paragraphs may not be essential in some informal Memorandums of Understanding, the possibilities inherent make it appear advisable to include such paragraphs unless there is some important reason for their omission.

c. Standard paragraphs:

- (1) Patents
- (2) Publications (Profit or non-profit organization)
- (3) Responsibility regarding merits or value of test material
(where applicable)
- (4) Availability of funds
- (5) Member of Congress
- (6) If applicable:
 - (a) Government assumes no responsibility for merits and value
of material while undergoing test.
 - (b) Renewal, such as:

f. Signed by Cooperator and Director of Laboratory, final approval by Chief of Bureau.

VI. STANDARD PARAGRAPHS AND SAMPLES

1. Member of Congress (To be used for all agreements except those between Bureaus of the Department.)

"No member of or delegate to Congress or Resident Commissioner shall be admitted to any share or part of this agreement or to any benefit to arise therefrom. The provision herein with respect to the interests of members of or delegates to Congress or Resident Commissioners shall not be construed to extend to any incorporated company where such agreement is made for the general benefit of such incorporated company."

2. Patents

"Any invention resulting from this cooperative work and made jointly by an employee or employees of the U. S. Department of Agriculture and the cooperator or an employee or employees of the cooperator, shall be fully disclosed, either by publication or by patenting in the United States, and any such patent shall either be dedicated to the free use of the people in the territory of the United States or be assigned to the United States of America, in the discretion of said Department, and the said Department shall have an option to acquire an assignment of such invention for any foreign country and the right to file an application for a patent thereon in any such country, said option to expire either upon declaration by said Department or any agency of the Government having the responsibility of deciding, or right to decide, that it is not the intention of the Government to file in said foreign country, or upon expiration of the limitations of time set by law for filing of such application. Any invention made independently by an employee or employees of the U. S. Department of Agriculture or by the cooperator or an employee or employees of the cooperator, shall be disposed of in accordance with the policy of the U. S. Department of Agriculture, or the cooperator, respectively."

The office of the Solicitor has offered the following comment regarding the use of the above paragraph. "In any instance in which the clause is used, the

wording should be modified to match the other parts of the contract. For example, if the cooperator is a legal entity other than a natural person, for example a corporation, and is identified by name in the contract, it should be referred to in line 3 and other parts of the proposed clause by the name rather than the term 'cooperator', and in such case it would be improper to refer to an invention made by the legal entity, since in such case inventions can be made only by its employees."

3. Publication

a. For agreements with non-profit organization.

"Either party to this agreement shall be free to use in official correspondence any of the results obtained in the undertaking, giving due credit to the other agency. It is understood that neither party will publish any results without consulting the other. Publication may be joint or independent as may be agreed upon, always giving due credit to the cooperation and recognizing within proper limits the rights of the individuals doing the work. In case of failure to agree as to manner of publication or interpretation of results, either party may publish data after due notice and submission of the proposed manuscripts to the other. In such instances, the party publishing the data will give due credit to the cooperation but will assume full responsibility for any statements on which there is a difference of opinion."

b. For agreements with profit organizations.

"Either party to this agreement shall be free to use in official correspondence any of the results obtained in the undertaking. It is understood that neither party will publish any results without consulting the other. In case of failure to agree as to manner of publication or interpretation of results either party may publish data after due notice and submission of the proposed manuscripts to the other. In such instances the party publishing the data will assume full responsibility for any statements on which there is a difference of opinion."

4. Guarantee of materials under test

"That this material is under test, and its merits and value for the purposes for which it is to be used are as yet undetermined and the Bureau of Agricultural and Industrial Chemistry makes no recommendations with respect to and assumes no responsibilities regarding the performances of this material, which is accepted by the Cooperator under these conditions."

5. Basis of cooperation (for use in formal memorandum of understanding)

"This memorandum of understanding is to define in general terms the basis on which the agencies concerned will cooperate, and does not constitute a financial obligation to serve as a basis for expenditures. Each agency will handle and expend its own funds and in accordance with its own rules and regulations."

6. Availability of Funds

"The responsibilities assumed by each of the cooperating parties are contingent upon funds being available from which the expenditures legally may be met."

7. Maximum obligation

It is customary in Memoranda of Understanding to indicate the maximum obligations of the parties so as to give evidence of the financial range of the project. The paragraph is usually worded as follows:

"The estimated maximum obligation for each of the parties of this agreement for any one fiscal year shall be as follows:

Bureau of Agricultural and Industrial Chemistry \$ _____

John Doe Corporation \$ _____ "

8. Renewals, continuations and terminations

a. For Cooperative Agreements

"This Agreement shall become effective upon execution and shall continue to June 30, 19__. It may be renewed from year to year upon notice of renewal in writing given not less than 30 days prior to the date the agreement would normally expire. The agreement may be terminated upon 90 days notice in writing by either party; modification of the terms of the agreement may be made upon mutual agreement in writing."

b. For Memoranda of Understanding

(1) Indefinite:

"This Memorandum of Understanding shall become effective upon execution and shall continue indefinitely. Modification of the terms of the agreement may be made upon mutual agreement in writing. The agreement may be terminated upon 90 days notice given in writing to the other party."

(2) Year to year basis:

"This Memorandum of Understanding shall become effective upon execution and shall continue to June 30, 19__. It may be renewed from year to year upon notice of renewal in writing given not less than 30 days prior to the date the agreement would normally expire. Modification of the terms of the agreement may be made upon mutual agreement in writing. This agreement may be terminated upon 90 days notice in writing by either party."

c. Informal Memoranda of Understanding

"This agreement shall become effective upon execution and shall continue to ____ 19___. If necessary it may be renewed by mutual agreement for a period of ____ days."

9. Appointment of Collaborators and Cooperative Agents

"The Bureau Agrees:

* * *

To appoint one or more qualified scientists as cooperative agents or Collaborators and pay a part of their salaries as mutually agreed upon. Cooperative Agents shall be appointed by the Bureau and under its supervision and control and the fact of their employment shall be set forth in their appointments."

"The cooperator agrees:

* * *

To pay a portion of the salary of one or more qualified scientists appointed as Cooperative Agents or collaborators as mutually agreed upon as necessary to perform the studies provided for under this agreement."

10. Hours of work when outside workers are involved

"That the employee(s) appointed by the (Cooperator) under this.... (cooperative agreement or memorandum of understanding) shall be governed by the hours of work, conduct, and other incidental matters by the rules and regulations of the United States Department of Agriculture and the Bureau of Agricultural and Industrial Chemistry."

11. To Protect Bureau from Claims for injuries suffered by Cooperator's employees

"To save the United States harmless from liability in the case of injury to their employees engaged in the work at the _____ Regional Research Laboratory."

COOPERATIVE AGREEMENT
between
U. S. DEPARTMENT OF AGRICULTURE
BUREAU OF AGRICULTURAL AND INDUSTRIAL CHEMISTRY
REGIONAL RESEARCH LABORATORY or DIVISION
and
JOHN DOE CORPORATION

THIS AGREEMENT, made and entered into this day of , nineteen hundred , by and between THE JOHN DOE CORPORATION, at Chicago, Illinois, hereinafter called the Cooperator, and the United States of America by the Research Administrator, Agricultural Research Administration, U. S. Department of Agriculture, hereinafter called the Government.

a. Purpose: The parties to this agreement are mutually desirous
..... etc. (State fully the problem.)

b. Responsibilities Assumed:

The Bureau agrees:

1. To furnish etc.
2. To provide etc.

The Cooperator agrees:

1. To furnish etc.
2. To provide etc.
- 3.

c. It is mutually understood and agreed:

1. That the maximum obligations of the parties to this agreement for the fiscal year 19 shall be:

Bureau	\$	_____
John Doe Corporation	\$	_____

2. Availability of funds

3. Patents

4. Publications (Profit or non-profit organization)

5. Amendment

6. Member of Congress

7. If applicable include following: (Used only when outsiders are to work at the Laboratory.) "Any cooperative employees, including collaborators, who may be employed under this agreement will be given appointments by the Bureau and the fact of dual appointment will be sent forth in the recommendations for appointment".

8. Appointment of collaborators or cooperative agents.

9. Hours of work.

10. Continuation, renewal and termination.

IN WITNESS WHEREOF the parties hereto have executed this Agreement on the date set opposite their signatures.

Witness:

JOHN DOE CORPORATION

By

Title

Date

Witness:

THE UNITED STATES OF AMERICA

By

Research Administrator

U. S. Department of Agriculture

Date

MEMORANDUM OF UNDERSTANDING

between

John Doe Company of Chicago, Illinois

and

United States Department of Agriculture

Agricultural Research Administration

through the

Bureau of Agricultural and Industrial Chemistry

(Regional Research Laboratory or Division)

Relative to:

A. Objectives: (Explain fully the need for cooperation, objectives, etc.)

Bo The Bureau agrees:

1.
2. etc.

C. The John Doe Company agrees:

1.
2. etc.

D. It is mutually agreed:

1. Basis of cooperation.
2. Maximum obligations.
3. Availability of funds.
4. Patents.
5. Publications (Profit or non-profit organization)
6. Member of Congress
7. Continuation, renewal and termination.

JOHN DOE COMPANY

By

(title)

(date)

(date)

APPROVED:

(date)

By

Chief, Bureau of Agricultural and
Industrial Chemistry

Chief, Office of Experiment Stations
and Acting Research Administrator,
U.S. Department of Agriculture (a)

(a) In memoranda to which State agricultural experiment stations are not parties, this signature line should be titled "Research Administrator, U. S. Department of Agriculture" only.

INFORMAL MEMORANDUM OF UNDERSTANDING

between

John Doe Company of Chicago, Illinois
and

the _____ Regional Research Laboratory, or _____ Division, Bureau of
Agricultural and Industrial Chemistry, Agricultural Research Administration,
U. S. Department of Agriculture, for the purpose of _____

etc.

A. The John Doe Company will

- 1.
2. etc.

B. The _____ Regional Research Laboratory or _____ Division will

- 1.
2. etc.

C. It is mutually agreed that:

1. Patents
2. Publications (Profit or non-profit organization)
3. Responsibility regarding merits or value of test material
(where applicable)
4. Availability of funds
5. Member of Congress
6. Termination and renewal, such as:

"This agreement shall become effective upon execution and shall continue
to 19. If necessary it may be renewed by mutual agreement
for a period of days."

JOHN DOE COMPANY

By

(Name & Title)

Date

Director _____ Regional _____ Date
Research Laboratory (or
Head _____ Division)

APPROVED:

Chief, Bureau of
Agricultural and Industrial
Chemistry

Date

SAMPLE OF RENEWAL OF MEMORANDUM OF UNDERSTANDING

Mr. Philip P. Gott, President
National Confectioners' Association
One North LaSalle Street
Chicago 2, Illinois

Dear Mr. Gott:

The memorandum of understanding between the Bureau of Agricultural and Industrial Chemistry and the National Confectioners' Association relative to cooperative investigations on utilization of agricultural products in confectionery, provides for renewal from year to year by notice in writing given by the parties thereto at least thirty days before it would otherwise expire.

This Bureau desires to continue the provisions of this agreement for the fiscal year ending June 30, 19____, the renewal being contingent upon appropriations being made by the Congress from which expenditures may legally be met.

If this renewal meets with your approval, please indicate by signing in the space provided and return the original to this office, retaining the enclosed carbon copy for your files. When the signature of the Administrator of Agricultural Research has been secured, a photostat copy showing all signatures, will be furnished for your files.

Very truly yours.

Henry A. Donovan
Assistant Chief of Bureau

Subject: Cooperative Investigations on
Utilization of Agricultural
Products in Confectionery.

Renewal Period: July 1, 19____ to June 30, 19____.

CONCURRED IN:

National Confectioners' Association

Date

APPROVED:

Research Administrator,
U. S. Department of Agriculture. (a)

Date

(a) In memoranda to which State agricultural experiment stations are parties, this signature line should be titled "Chief, Office of Experiment Stations and Acting Research Administrator, U. S. Department of Agriculture."

SAMPLE OF RENEWAL OF COOPERATIVE AGREEMENT

UNITED STATES DEPARTMENT OF AGRICULTURE
AGRICULTURAL RESEARCH ADMINISTRATION
WASHINGTON, D. C.

NOTICE OF RENEWAL

State College of Washington
Washington Agricultural Experiment Station
Pullman, Washington.

Gentlemen:

You are advised that, under the terms of an option conferred upon this Department by the following instrument: A cooperative agreement approved by the Assistant Secretary of Agriculture, July 31, 19____, relative to research on the preservation of fruits and vegetables and the improvement of products therefrom during the fiscal year ending June 30, 19____, subject to renewal from year to year thereafter by mutual agreement.

This renewal is conditioned upon the passage of an appropriation by Congress from which expenditures thereunder may be made and shall not obligate the United States upon failure Congress to so appropriate.

All of the conditions and provisions of the said instrument are hereby extended to cover the period beginning July 1, 19____ and ending June 30, 19____, subject to your concurrence.

The considerations, acts, promises, agreements, and provisions to be executed and performed by each party to the above mentioned instrument, as originally provided therein, shall remain in full force and effect for the said extended period.

Very truly yours,

..... Acting Agricultural Research Administrator

ACCEPTED:

Date Cooperator, Director, Agricultural Experiment Station

Date Cooperator, President, State College of Washington

SAMPLE OF RENEWAL FOR INFORMAL MEMORANDUM OF UNDERSTANDING

John Doe Company
111 First Street
Anytown, Illinois

Gentlemen:

The informal memorandum of understanding between the
Regional Research Laboratory (or Division), Bureau of Agricultural and
Industrial Chemistry, relative to research on
provides that this agreement may be extended for a day
period after the date the agreement would otherwise expire, which is
..... The Laboratory (or Division) desires to continue the
provisions of this agreement for an additional days, or
until.....

Please indicate your approval of this renewal by signing in the space
provided and return the original to this office. When the necessary
signatures have been secured, a photostat copy will be furnished for
your files.

OR

This Laboratory (or Division) is desirous of continuing the provisions
of the informal memorandum of understanding with your firm, institution,
etc., relative to research on, for an additional
period of days. If this meets with your approval please indicate
your concurrence by signing in the space provided and return the
original to this office. When the necessary signatures have been secured,
a photostat copy will be furnished for your files.

Very truly yours,

..... Director
..... Regional Research Laboratory

CONCURRED IN:

Director of Research
John Doe Company

Date

APPROVED:

Assistant Chief of
Bureau

Date